

First Union Rail Corporation

One O'Hare Center
6250 River Road, Suite 5000
Rosemont, Illinois 60018-4214
847 318-7575
Fax 847 318-7588

VIA FEDERAL EXPRESS



December 1, 1998

RECORDATION NO. 21819 FILED
DEC 2 '98 2-21 PM

Surface Transportation Board
Attn: Jan Fort
1925 K Street, N.W., Room 704
Washington, DC 20423-0001

Re: Memorandum of Lease Agreement

Dear Ms. Fort:

Enclosed for recordation pursuant to the provisions of 49 U.S.C. Section 11301(a) are four (4) originals of a Memorandum of Lease Agreement, dated May 2, 1998, a primary document as defined in the Board's Rules for the Recordation of Documents. The names and addresses of the parties to the enclosed document are:

Lessor: First Union Rail Corporation
One O'Hare Centre
6250 River Road, Suite 5000
Rosemont, IL 60018

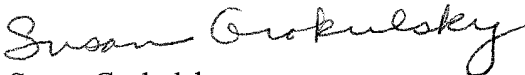
Lessee: Willamette Industries, Inc.
3700 First Interstate Tower
Portland, OR 97201

A description of the railroad equipment covered by the enclosed document is set forth on Exhibit A, as attached to such Memorandum.

Also enclosed is a check in the amount of \$26.00 payable to the order of the Surface Transportation Board covering the required recordation fee. Kindly return two (2) stamped originals of the enclosed document to the undersigned.

If you have any questions or concerns regarding the above-referenced matter, please feel free to contact me at (847) 384-5355. Thank you for your cooperation in this matter.

Very truly yours,


Susan Grokulskey
Manager - Documents Administration

Enclosures

(WII007/WII008)

EXHIBIT A
to
RIDER NO. 1

RECORDATION NO. 21819 FILED

DEC 2 '98

2-21 PM

MEMORANDUM OF LEASE

THIS MEMORANDUM OF LEASE (the "Memorandum") is made and entered into as of this the 2nd day of May, 1998 by and between First Union Rail Corporation ("Lessor"), a North Carolina corporation, and WILLAMETTE INDUSTRIES, INC. ("Lessee"), a Oregon corporation.

WITNESSETH:

The undersigned Lessor and Lessee have entered into that certain Master Lease Agreement (the "Lease"), dated as of September 22, 1998, whereby Lessor has agreed to lease to Lessee certain railcars pursuant to Rider No. 1 to the Lease (the "Rider"), as described in more particular on Exhibit A attached hereto, effective as of September 22, 1998 and subject to the terms, conditions and provisions of the above-mentioned Lease and Riders.

IN WITNESS WHEREOF, the parties hereto have each caused this Memorandum to be duly executed under seal by their respective officers duly authorized as of the date and year first above written.

LESSOR:

FIRST UNION RAIL CORPORATION

ATTEST:

By: K.A. Dombrowski
Name: K.A. DOMBROWSKI
Title: MANAGER - Documentation

By: Richard F. Seymour
Name: RICHARD F. SEYMOUR
Title: Vice President Sales & Marketing

Executed on this 19th day of October 1998.

[CORPORATE SEAL]

STATE OF ILLINOIS

COUNTY OF COOK

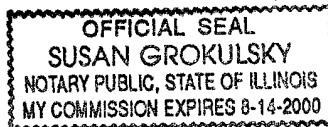
I, Susan Grokulsky, a Notary Public of the County and State aforesaid, certify that Richard F. Seymour personally appeared before me this day and acknowledged his due execution of the foregoing Memorandum of Lease.

WITNESS my hand and official stamp or seal, this 19th day of October, 1998.

Susan Grokulsky
Notary Public

My Commission Expires:

8/14/2000
(Notary Public)



LESSEE:

WILLAMETTE INDUSTRIES, INC.

ATTEST:

By: Donna L. Wecker
Name: Donna L. Wecker
Title: Asst. Secretary

By: [Signature]
Name: John LeFors
Title: Vice President

Executed on this 13 day of October, 1998.

[CORPORATE SEAL]

STATE OF Oregon

COUNTY OF Multnomah

I, Debbie C Timpani, a Notary Public of the County and State aforesaid, certify that John LeFors personally appeared before me this day and acknowledged his due execution of the foregoing Memorandum of Lease.

WITNESS my hand and official stamp or seal, this 13 day of October, 1998.

Debbie C Timpani
Notary Public

My Commission Expires:

October 27, 1998
(Notary Public)

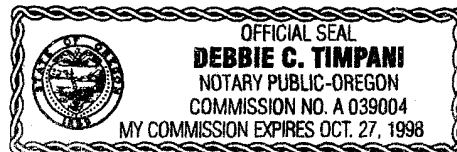


EXHIBIT A
To
MEMORANDUM OF LEASE

Description of Cars

Eight (8) 100 Ton All Door Boxcars

FURX 020297
FURX 020299
FURX 020300
FURX 020301
FURX 020316
FURX 020317
FURX 020337
FURX 020347

Thirty-five (35) All Door Boxcars

FURX 004800
FURX 004801
FURX 004802
FURX 004805
FURX 004808
FURX 004810
FURX 004812
FURX 004813
FURX 004814
FURX 004816
FURX 004818
FURX 004820
FURX 004823
FURX 004902
FURX 004903
FURX 004906
FURX 020256
FURX 020257
FURX 020258
FURX 020262
FURX 020298
FURX 020315
FURX 020329
FURX 020331
FURX 020332
FURX 020333
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FURX 020336
FURX 020338
FURX 020340
FURX 020350
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FURX 020358
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